

MINUTES OF THE BOARD OF SUPERVISORS COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer Clerk of the Board of Supervisors 383 Kenneth Hahn Hall of Administration Los Angeles, California 90012

Chief Administrative Officer

At its meeting held June 21, 2005, the Board took the following action:

4 Supervisor Burke made the following statement:

"The Board approved a design build lease for a new social services administration building in SPA 6 at 8300-8400 Vermont Avenue, Los Angeles, on May 17, 2005 (lease). The developer, ICO Investments, purchased some of the assembled land parcels from the Los Angeles Community Redevelopment Agency (CRA) which is handling the bond financing for this transaction. Subsequent to the Board's action, the CRA Board of Commissioners approved the financing package on June 2, 2005. The CRA considers bond financing to be financial assistance under its Living Wage Policy. Under this policy the recipient of CRA assistance is required to provide a living wage salary to all applicable employees associated with the Project (i.e. janitorial, landscape and security personnel). As a condition of the financing, the CRA Board of Commissioners waived the imposition of its Living Wage Policy on the developer. Rather, they imposed a condition on ICO to pay living wage per the County's ordinance (Title 2 Chapter 2.201) for all service personnel hired by ICO on the office portion of this lease occupied by County employees.

"The Board delegated to the Chief Administrative Officer the authority to sign the lease 'substantially in the form' as was attached to the Board letter of May 17, 2005 (Board Order No. 18). The CRA is requiring specific language to be placed into the lease incorporating the County's Living Wage Ordinance.

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"While this change will not impact the lease payments to the County in the first year, it is estimated that such a change might increase the County's full service rent by up to \$50,000 per year in the second year and subsequent years. These operating expenses would still be substantially subvened by State and Federal funding under A87 regulations provided that they are reasonable compared to market standards."

Therefore, on motion of Supervisor Burke, seconded by Supervisor Knabe, unanimously carried, the Board delegated additional authority to the Chief Administrative Officer to add language to the design-build lease with ICO Investments for a new social service administration building in SPA 6, located at 8300-8400 Vermont Avenue, Los Angeles, to be consistent with the requirements to include developer compliance with the County's Living Wage Ordinance as it relates to the office portion of the lease occupied by County employees excluding the retail and child care areas for as long as the Community Redevelopment Agency issued bonds remain outstanding.

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